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TAGS: PREL ENRG SENV CH JA KS

SUBJECT: PRC-JAPAN: PREMIER'S TRIP CONTINUES THAW BUT  
POLITICAL PROBLEMS BENEATH SURFACE REMAIN

REF: BEIJING 2481

Classified By: External Unit Chief Edgard Kagan.  
Reasons 1.4 (b/d).

Summary

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**¶1.** (C) Premier Wen Jiabao's April 11-13 visit to Japan, the first bilateral trip to Tokyo by a Chinese leader in seven years, produced concrete economic agreements and opened new channels for political and security talks but failed to resolve tough bilateral issues, Chinese diplomats and analysts told us. Premier Wen and PM Abe announced a high-level economic exchange modeled on our Strategic Economic Dialogue (SED), planned an exchange of visits by defense ministers and calls by warships, and outlined cooperation on energy, environment and the East China Sea. Combined with Abe's plan to revisit Beijing later this year and the invitation for a Hu Jintao trip to Japan in 2008, China has done its best to give PM Abe incentives to avoid visiting controversial Yasukuni Shrine. Tokyo appreciated Premier Wen's focus on the positive, especially his speech to the Diet and his refusal to address the "comfort women" controversy, Japanese Embassy officials told us. The Diet speech was part of Wen's aggressive, and potentially risky, charm offensive that seeks to improve popular support for a stronger Sino-Japanese relationship in both countries. While leaders in Beijing and Tokyo will try to control public passions, nationalism could again damage bilateral relations, especially if sparked by a future Yasukuni visit, be it public or private. End Summary.

Course Set for Political and SED-Type Exchanges

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**¶2.** (C) Chinese officials and analysts hailed Premier Wen's April 11-13 visit to Japan as a great success that set a course for the future of Beijing's "strategic relationship of mutual benefit" with Tokyo. Wen's visit, the first by a Chinese leader in seven years, PM Abe's agreement to visit China this fall and Abe's invitation for President Hu Jintao to visit Japan in 2008 restore the pattern of regular leadership meetings broken by former PM Koizumi's visits to Yasukuni Shrine, MFA's Deputy Division Director for Japan Lu Guijun told poloff. Major problems between Beijing and Tokyo that existed before the visit, such as concern about history, Taiwan and the East China Sea dispute, remain unresolved after Wen's trip, according to Jin Linbo of the China Institutes of International Studies (CIIS), an MFA-affiliated think tank. Jin said the trip nonetheless succeeded in "normalizing" relations by restoring high-level channels for discussing political, economic and military issues of concern.

**¶3.** (C) Premier Wen and PM Abe launched an SED-like high-level economic consultation mechanism, agreed to an exchange of visits by defense ministers as well as reciprocal ship

visits, and established political dialogues covering issues ranging from the UN to aid to Africa, MFA Deputy Japan Division Director Lu Guijun told us. The two released a joint press statement in which Tokyo reaffirmed past positions on history and Taiwan and pledged a commitment to Japan's peaceful development. China stopped short of providing requested commitments on Japan's UN aspirations or on DPRK abduction victims, Lu said, but stated its support for Japan "playing a greater constructive role in international affairs" and its "understanding of and sympathy for relevant humanitarian concerns" of Japanese nationals related to the Six-Party Talks. Wen also paid a call on Emperor Akihito.

Wen, Abe Address Sensitive, Global Themes

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¶4. (C) In their bilateral meeting, Wen and Abe stated their joint goal of achieving a lasting friendship for mutually beneficial peace and development. Wen did not mention Yasukuni Shrine by name during his meeting with Abe, Lu said, but stressed that history issues touch the foundation of the relationship and hurt the feelings of the Chinese people. On the East China Sea, the leaders agreed to pursue joint development of oil and gas that temporarily sets aside territorial disputes so as to make the region a sea of "peaceful cooperation and friendship," Lu said. The leaders tasked officials to develop a plan for joint energy exploitation by this fall, he said, noting that China had rejected a Japanese request for ministerial-level consultations on the East China Sea dispute. On international matters, the two discussed the Six-Party Talks and Taiwan at length, expressed a desire to promote further East Asian regional cooperation but did not discuss Kosovo or

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Sudan, Lu said.

Diet Speech Omits Japan's Peaceful Development

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¶5. (C) In his historic and well-received speech to the Japanese Diet, Premier Wen accidentally omitted a short passage referring to Japan's peaceful development after WWII, MFA's Lu told us. Scholars and Japanese Embassy contacts pointed out that Wen's speech to the Diet struck positive chords with its statement that both Chinese and Japanese people were victims of WWII and its shared cultural references involving agriculture, poetry and Buddhism. Press reports suggesting that Wen omitted the passage out of anger were untrue, Lu said, noting that Wen looked up when he received unexpected applause and inadvertently skipped the short paragraph when he continued. The passage, noting that Chinese people support Japan's peaceful development, was included in versions of the speech printed in the People's Daily, Lu said.

¶6. (C) Japanese Embassy Political Counselor Kazuhiko Suzuki provided an identical explanation of the unread passage, lamenting that this one oversight had detracted from a speech that was far more positive than Tokyo had expected. Japanese officials had been extremely concerned before the speech because the Chinese would not provide them with an advance copy of the text, Suzuki said. Later, the Japanese learned that the advance copy was withheld because Premier Wen wrote the speech himself and made revisions until only a few hours before the speech. Suzuki reported that PM Abe told Japanese Ambassador to China Yuji Miyamoto Wen's speech was important not just because it was "surprisingly positive," but because it reflected Wen's personal views and willingness to take political risks to advance relations with Japan. (Note: Ambassador Miyamoto went back to Tokyo several times in the past month to help plan for Wen's visit and met PM Abe several times in the two days prior to the visit, according to Suzuki. End Note).

Abe Grateful for Wen Silence on Comfort Women

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¶17. (S) Miyamoto reported PM Abe as having been particularly grateful that Premier Wen avoided addressing the comfort women issue in Seoul as well as Tokyo, Suzuki said. South Korean Embassy Political Officer Kim Myonghyun told us that Seoul was disappointed by Wen's unwillingness to discuss the comfort women issue, which he attributed to a desire to send a positive signal to Tokyo prior to Wen's visit to Japan.

Charm Offensive and Ibis Diplomacy

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¶18. (C) In his 49-hour visit, Premier Wen conducted a "charm offensive" involving 50 public events, including playing baseball, exercising with Japanese pensioners and meeting with farmers, the MFA's Lu said. China presented Japan with two crested ibis birds, a reminder of past panda diplomacy. Japan will invite a large number of Chinese high-school students to study in Japan, will send over 20,000 people to China to commemorate the 35th anniversary of bilateral relations and both countries agreed to large-scale youth exchanges and new charter flights to enhance people-to-people exchanges, he said.

Can Wen Lead Public Toward More Positive Attitude?

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¶19. (C) Leaders in both countries realize that lack of public support for improved relations is an outstanding bilateral problem, our contacts said. Extensive positive coverage of Wen's trip by Chinese media (reftel) aims to guide public opinion and strengthen the foundation for improved relations, according to the MFA's Lu. The MFA has conducted no public opinion polls, but Lu believed the Premier's visit significantly increased the percentage of Chinese and Japanese who support improvement of relations.

¶10. (C) Scholars were more circumspect that the visit could improve a skeptical Chinese public's attitude toward Japan. Yang Bojiang of the Ministry of State Security-affiliated China Institutes of Contemporary International Relations (CICIR) said most Chinese still dislike Japan because of its invasion of China and attitude of superiority toward other Asians. China Academy of Social Sciences (CASS) Japan Institute Deputy Director Jin Xide said Premier Wen was taking a political risk by pushing so aggressively for improved relations when most Chinese people and some leaders have strong anti-Japanese feelings.

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Details of Economic, Military Agreements

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¶11. (C) The MFA's Lu said Chinese Vice Premier Zeng Peiyan and Japanese FM Taro Aso would inaugurate the high-level economic dialogue, roughly modeled on the U.S.-China Strategic Economic Dialogue, later this year to exchange ideas on macroeconomic policy, coordinate interagency review of economic and trade policy and reinforce political cooperation on international issues. The leaders further agreed to expand cooperation on energy, environmental protection, information and communications, finance and new technologies. CASS' Jin Xide said the goal of renewed high-level military contacts was to minimize the risk of military conflict after a hiatus in exchanges at the ministerial level of more than three years. In that regard, a "hotline" type of crisis management mechanism will be developed, MFA's Lu said.

Shrine Visit, Nationalism Could Halt Momentum

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¶12. (S) MFA Asian Department Counselor Yang Jian told us that

Premier Wen's visit was planned to provide the maximum incentive for PM Abe not to visit Yasukuni Shrine. Yang Jian, who worked closely with VFM Wu Dawei in her previous position handling Korean Peninsula affairs, said Chinese officials understand Abe is facing considerable political pressure. Premier Wen's positive message and public diplomacy was designed to show the benefits of improved relations with China, which Yang Jian said VFM Wu sees as reinforcing PM Abe's desire for better ties. The prospect of another Abe visit to China in the fall and then a visit by President Hu Jintao in 2008 also provides tangible incentives to avoid disrupting the bilateral relationship, she said. Beijing hopes these incentives will further encourage PM Abe not to visit Yasukuni Shrine, which Yang Jian said would "put us back at square one." Similarly, Japanese Embassy Counselor Suzuki said VFM Wu had told Japanese Ambassador Miyamoto that China is willing to take positive steps to improve ties, but that any Abe visit to the Yasukuni Shrine would be "a disaster."

¶13. (S) Chinese scholars seemed confident that Abe will not publicly visit Yasukuni this year, but remain genuinely concerned that PM Abe could make a private visit to the controversial shrine if his domestic political support lags. Yang Bojiang of CICIR said an Abe visit to Yasukuni "could undo much of the positive momentum" in relations generated by Wen's visit by reigniting anti-Japanese nationalism in China.

In a detailed description that we cannot verify and is far more tolerant of even a private Yasukuni visit than anything we have heard previously, CICIR's Yang told us that China has assurances Abe will not make a public visit to Yasukuni as PM and that he would be ambiguous about any private visit he might make. While a private visit would harm relations if news were to leak out, CICIR's Yang said that China would condemn a private visit but might refrain from further retaliation so long as PM Abe refuses to confirm that he had visited the Shrine.

¶14. (C) CASS' Jin Xide agreed that an Abe visit to Yasukuni would derail improvement in relations but suggested that the goal of improving bilateral relations is to "one day" reach a point where the Chinese public would accept Beijing's support for Japan's larger role in Asian affairs, such as having a permanent seat on the UN Security Council. CASS history scholar Bu Ping, chair of China's delegation to joint history talks, said nationalism in either country could flare over unexpected issues, such as Abe's recent remarks on comfort women or the coming anniversary of the Nanjing Massacre. CIIS' Jin Linbo was more pragmatic, saying his institute has urged MFA to move away from a focus on history issues with Japan, not because they lack importance, but because they inflame Japanese sentiment without earning China any practical benefits in economic or political areas where China needs Japan's support.

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